

H&H Group

Headquarters
Hong Kong

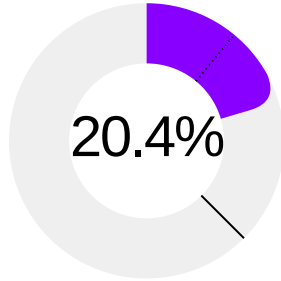
Type of ownership
Public

Estimated percentage of H&H Group's
global F&B sales from BMS ①¹
95%

Estimated percentage of H&H Group's
global baby food sales from BMS ①²
100%

Countries covered in country studies
China

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BMS Marketing
Score 2024 ①³

--- Average score
| Highest score



Country Studies
Score ①⁴

0% 1 country



Corporate Profile
Score

40.8%

Important:

The research findings regarding companies' performance in this Index are based on information shared by companies or gathered by service providers, in addition to information that is available in the public domain.

The level of detail and comprehensiveness of information shared by companies and gathered through external service providers varied. In the case of limited or no engagement by companies, this Index may not represent the full extent of their efforts. Similarly, in the case of limited data collected by service providers, the findings of this Index may not provide a comprehensive representation of company practices.

ATNI's research and Indexes do not assess compliance with local regulations or laws, but rather assess private sector performance against international standards and guidance.

BMS COUNTRY STUDIES



Country Studies
Score

0% 1 country

The Country Studies component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's marketing practices align with specific provisions of the Code. The main areas of marketing assessed in the Country Studies for the BMS and CF Marketing Indexes 2024 are online points-of-sale, traditional and online media outlets, and product labels.

In this Index, a total of five countries were selected for the assessment. H&H BMS products are mainly sold in China which represents around 99% of H&H's estimated global BMS sales. The China Country Study results for H&H are summarized below across each marketing channel.

<https://new-l40rlzsq.accesstonutrition.org/app/uploads/2024/03/Assessment-methods-and-scoring.pdf>

Country Studies overview

H&H Group	Country assessments			BMS market ⁵	
	Total incidences of non-compliance across online, traditional media, and product labels ⁶	Number of product labels assessed ⁷	Company brands found	BMS market share	Proportion of H&H Group's global BMS sales
CHINA	63	19	Biostime	4%	99%
GERMANY	N/A	N/A	N/A	N/A	N/A
INDONESIA	N/A	N/A	N/A	N/A	N/A
US	N/A	N/A	N/A	N/A	N/A
VIET NAM	N/A	N/A	N/A	N/A	N/A

Code compliance level

- Complete
 (0 incidences of Code non-compliance corresponding to a country score of 100%)
- High
 (>0-10 incidences of Code non-compliance corresponding to a country score of 66%)
- Medium
 (>10-20 incidences of Code non-compliance corresponding to a country score of 33%)
- Low
 (> 20 incidences of Code non-compliance corresponding to a country score of 0%)

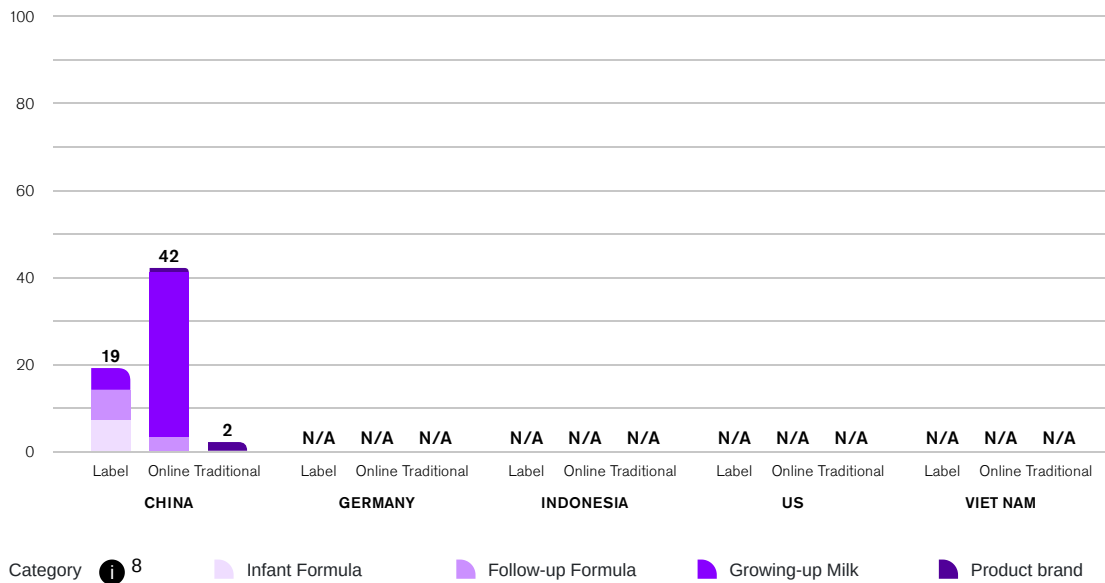
- A total of 63 incidences of non-compliant marketing practices for BMS products were found for H&H in China.

- While the company possess a small share of the Chinese BMS market (~4%), H&H's BMS sales in

China represent ~99% of the company's global BMS sales. In total 42 advertisements and promotions related to BMS brands were found online, and two TV advertisements. All 19 product labels assessed contained several instances of non-compliance per product.

Observed incidences of non-compliance with the Code per country

Absolute number of incidences of non-compliance



Main in-country findings

A total of 63 incidences of non-compliant marketing practices were found for H&H BMS products in China. The majority of incidences of non-compliance (42) were found through the social listening of online platforms. Many incidences of non-compliance (19) were also attributed to inappropriate product labels. The remaining incidences of non-compliance (2) were found in traditional media. The incidences of non-compliance found online were largely concerning growing-up milks, whereas non-compliant labels were found across all types of BMS products.

Online findings

- A total of 42 incidences of non-compliance were found for H&H BMS products and associated brands from the company's social media platform and online retailers. Among these observations, seven were found to be point-of-sale promotions in products which were mainly growing-up milk and follow-up formula, from online retailers that the company confirmed they have a contractual relationship with. Apart from advertising BMS – a non-compliance with the Code in itself – other common incidences found included various incentives for the purchase of the company's BMS products, including discounts, gifts and offers.
- The remaining 35 incidences of non-compliance were found on H&H's Weibo channel 35 online advertisements were observed of H&H's BMS products and brands, with an average of three incidences of non-compliance per ad. Also, it was observed that almost 31 out of 35 of the ads contained at least one type of claim. Apart from advertisements found – a non-compliance with the Code in itself – other common incidences found included incentives for product purchase (such as prizes and discounts) and promotion of bottle feeding.

Traditional media findings

- During the research period, two BMS advertisements from H&H were found on television in China, a non-compliance with Article 5 of the Code. Both advertisements concerned brand promotions (no age was specified). Both advertisements included a nutritional, health and marketing claim.

BMS product label

- Of the 19 H&H product labels assessed in China, all 19 labels contained several incidences of Code non-compliance. The average number of non-compliances was found to be four per label assessed.
- From the H&H's product labels assessed it was found that none included the complete statement on the importance of exclusive breastfeeding in the first 6 months of life and continued breastfeeding for up to 2 years or beyond. Most labels (16 out of 19) did not contain the statement to only use the product on the advice of a health professional before deciding to feed with formula, irrespective of the age at which formula is introduced. The assessment found that 10 of the 19 labels assessed contained at least one type of claim, mainly nutritional claims.

- It is worth noting that ATNI did not have the resources to collect products from the different markets and take pictures of their labels. In this iteration, ATNI's research was based on product label images from an external provider. For some products, images were not clear enough or did not show all parts of the package, thus

ATNI asked the respective companies to provide images of the labels. H&H provided images of all product labels (as requested by ATNI) to help complete the assessments, therefore all assessments are completed.

Recommendations

- With the total number of 63 incidences of non-compliant marketing practices observed in China, H&H is strongly encouraged to strengthen its responsible BMS marketing policies and ensure their full alignment with the recommendations of the Code and all subsequent relevant resolutions, including the guidance supported by WHA resolution 69.9. ATNI has developed a model company policy on the responsible marketing of BMS which can guide the company on how to incorporate Code provisions and align with the latest public health requirements in practice.

- H&H is urged to restrict the advertising and promotion of all types of BMS products and brands on all forms of media platforms. Specifically, the company should refrain from incentivizing the purchase of those products by offering discounts and prizes, and the company should refrain from the promotion of bottle feeding.

- H&H is strongly encouraged to take responsibility for monitoring its marketing practices beyond local regulations, according to the principles and the aim of the Code and subsequent relevant resolutions, and to take steps to ensure this includes online media channels.

- H&H is encouraged to engage with its industry

associations, retailers and/or regulators to ensure that there are no promotions of BMS products in the retail environment, and see that products are appropriately marketed in line with the Code.

- Given that all the labels assessed in China were found to be non-compliant with the Code requirements, H&H is encouraged to focus on improving labeling practices across all markets to ensure full compliance with the Code and all subsequent relevant resolutions, including the guidance supported by WHA resolution 69.9.

- Clear evidence was found of H&H applying point-of-sale promotions for growing-up milks and promoting these on online platforms, which is contrary to the requirements of the Code, specifically the guidance supported by WHA resolution 69.9 that extended the scope of the Code to growing-up milks. Therefore, ATNI urges H&H to ensure its commitments are extended to include growing-up milks.

- ATNI is calling on H&H to review all incidences of non-compliance identified across all marketing channels, which were shared in detail with the company, and to take corrective action in each of the markets.

BMS CORPORATE PROFILE



Corporate Profile
Score

40.8%

The Corporate Profile component of the BMS and CF Marketing Indexes 2024 evaluates the extent to which a company's policies align with various provisions of the Code, the effectiveness of its related management systems as well as the company's level of disclosure on commitments relating to BMS marketing. H&H's BMS marketing commitments were assessed across 11 topics that cover different aspects of the Code on which the company scored an average of 50%. This score is equivalent to the company's initial overall Corporate Profile score before a geographic penalty (if applicable) is applied to each BMS product type. The final Corporate Profile score considers how the company's BMS marketing commitments are applied for the different BMS product types sold by the company, and across different markets. As H&H sells infant formula, follow-up formula, and growing-up milks, the company's application of BMS commitments was evaluated for each product type, as shown in the next section on 'Geographic application of BMS commitments by product type'. The scores and findings on each topic are described in further detail in the section below on 'BMS Commitments by Topic'.

<https://new-140rlzsq.accesstonutrition.org/app/uploads/2024/03/Geographic-penalty.pdf>

Geographic application by H&H Group of BMS commitments by product type

The table below shows the percentage of product sales where commitments are upheld and the geographic penalty applied to each type of BMS. The penalty ranges from 0% up to 90% depending on whether a company fully upholds its BMS marketing commitments in all or none of the countries in which it operates, respectively, where national Code regulations are absent or less stringent than the company's policies and standards.

Corporate Profile score before penalty ⁹	Product type	Percentage of H&H Group's global sales from markets where BMS commitments are upheld ¹⁰	Geographic penalty applied	Final Corporate Profile score
49.8%	Infant formula ¹¹	100%	0%	40.8%
	Follow-up formula ¹²	100%	0%	
	Growing-up milk ¹³	0%	90%	

Commitments are upheld

- Upheld for all products in this category - without exception - globally
- Upheld for some products in this category - without exception - globally
- Upheld for all products in this category - without exception - only in some markets
- Upheld for some products in this category, and only in some markets
- Not upheld for this product category in any market
- No policy found in the public domain nor shared by the company, therefore no information on how commitments are upheld

ATNI referred to H&H's Responsible Marketing of Breast-Milk Substitutes Policy (2023) to assess how the company's BMS marketing commitments are upheld for each product type and in which markets. Euromonitor retail sales estimates were used to calculate the proportion of H&H's global product sales covered per BMS product type.

Infant formula

The company explicitly showed its commitment for this product type, in all countries in which it operates, even where local Code regulations are absent or weaker than the company policy. This represents 100% of the company's global infant formula sales, therefore no geographic penalty was applied to this product type.

The company does not apply its BMS marketing commitments to growing-up milks. This is evident from the country assessments where the majority of the observed incidences of non-compliance were attributed to growing-up milk products.

The corresponding geographic penalty for this product type is a maximum of 90%.

Follow-up formula

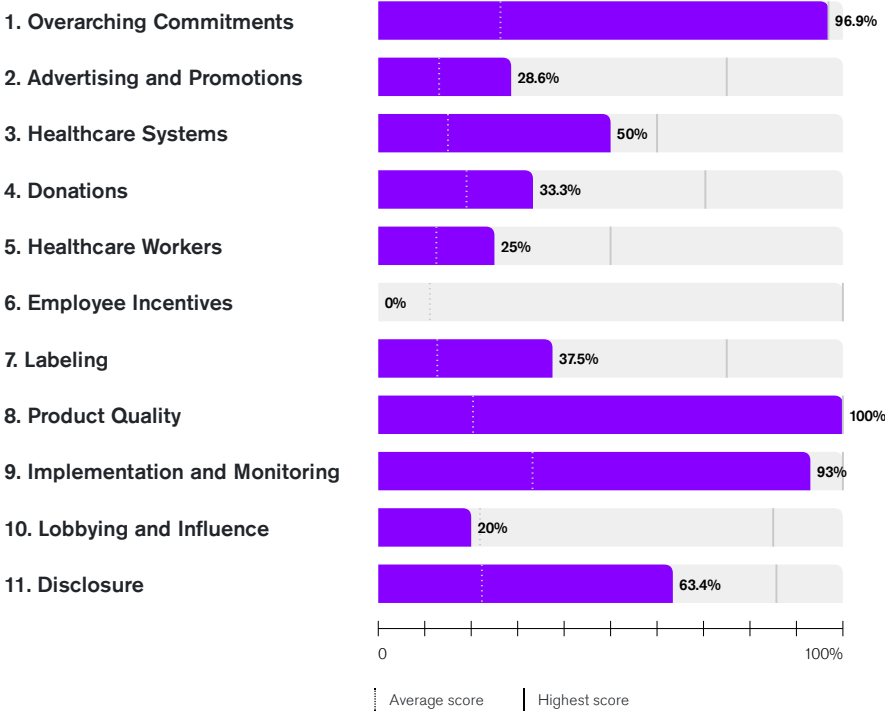
The company explicitly showed to uphold its commitments for this product type, in all countries in which it operates, even where local Code regulations are absent or weaker than the company policy. This represents 100% of the company's global follow-up formula sales, therefore no geographic penalty was applied to this product type.

ATNI calls on H&H to consider the expanded definition of the Code, following the World Health Assembly resolution 69.9 recommendations, to cover any milk products up to three years of age.

Growing-up milk

Based on the company's application of its BMS commitments to the different BMS product categories across its global markets, the final Corporate Profile score is 41%.

Topics Overview



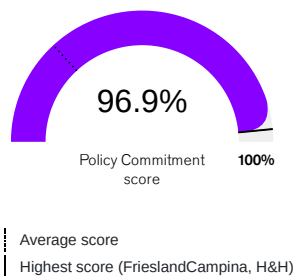
These represent the initial overall scores before applying the penalty.

BMS commitments by topic

Most topics include assessments on both policy commitments and management systems, except for the topic on 'Implementation and Monitoring', which mostly considers management systems, and the topic 'Overarching Commitments', which considers policy commitments only. A separate topic assesses the level of disclosure and transparency practiced by companies on the different aspects of the Code.

1. Overarching Commitments

This topic consists of policy commitment indicators only.



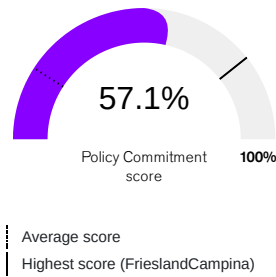
Policy Commitment

- Based on H&H's BMS marketing policy, the company's overarching commitments were found to closely align with the Code. The company was found to support exclusive breastfeeding in the first six months and continued breastfeeding for up to two years or beyond, as well as for the introduction of appropriate complementary foods from the age of six months. H&H was the only company to explicitly acknowledge the Code and subsequent WHA resolutions, including 71.9. Additionally, the company clearly stated that its BMS marketing commitments apply to all special formulas and formulas for special medical purposes.
- H&H did not receive a full score on the indicator that assesses the application of BMS marketing commitments to all joint ventures and subsidiaries where the company has a holding. The company showed it to apply these commitments only where it had a holding of greater than 50%.
- H&H is encouraged to widen the scope of the application of its policy by ensuring it applies to all joint ventures and subsidiaries where the company has a holding to better align with the requirements of the Code.

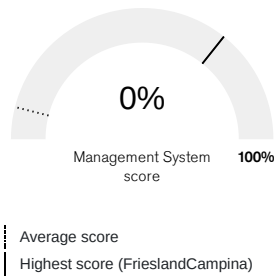
2. Advertising and Promotions

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.

Policy Commitment



- H&H's policy commitments relating to advertising and promotion of BMS are relatively well-aligned with the requirements of the Code. It is one of four companies that was found to explicitly commit to refraining from using advertising or any other forms of promotion of their BMS products to the general public, from directly or indirectly providing samples to caregivers, and from using any marketing strategy to induce sales of their BMS products at retail level, both in physical and online stores. These commitments are in line with Code article 5.1, 5.2 and 5.3 respectively.
- H&H was found to not have a full score for indicators in line with the Code article 5.5, and the guidance for ending inappropriate promotion of foods for infants and young children supported by WHA 69.9 guidance. The company did not show explicit commitments to refrain from establishing contact with caregivers through baby clubs and social media groups, and from educating caregivers on infant and young child feeding. For example, it was found that on the company's website caregivers may subscribe under the Biostime and Good Gout brands in Australia and France allowing for company communication with subscribed caregivers about promotions, wellness, and product launches.
- Although H&H was found to have explicitly stated in its BMS marketing policy that the company will not engage in any cross-promotion across the different stages of BMS and no cross-promotion is done in its BMS product labels, after assessment of H&H's BMS labels across different stages, no clear difference or distinction was found. Therefore H&H did not show explicit commitments to avoid cross-promotions of different types of BMS products by ensuring different packaging designs and labels, in line with recommendation 5 of WHA 69.9.
- H&H is encouraged to widen the scope of the application of its policy by ensuring it applies to all forms of advertising and promotion such as refraining from establishing contact with caregivers and from cross promoting its different types of BMS products including formulas for special purposes (FSMPs).
- H&H is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

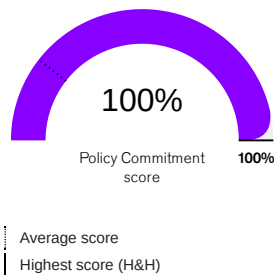


Management System

- H&H's management systems and procedures did not show to fully align with the requirements of the Code. H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies).
- The company, however, does not score on management systems as the instructions and procedures were not found to cover the implementation of the company's commitments consistently and comprehensively on public advertising and promotion of BMS.
- H&H is encouraged to develop clear and comprehensive management systems procedures, and other guidance for its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing in all markets.

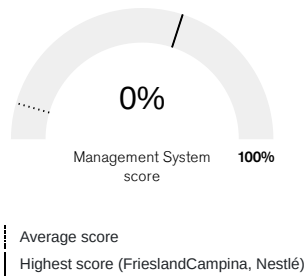
3. Healthcare Systems

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- H&H's policy commitments relating to marketing BMS throughout the healthcare system are relatively well-aligned with the requirements of the Code. H&H was the only company among the 18 assessed to receive a full score on all the policy commitments relating to this topic. H&H showed explicit commitments to refrain from using healthcare facilities for promoting BMS products, displaying related materials, providing gifts or coupons, offering education on infant feeding, or deploying personnel within these settings. Additionally, the company showed explicit commitments to prohibiting demonstrations of formula feeding by its staff and avoid hosting events or campaigns in health facilities. These commitments are in accordance with the Code including the guidance on ending the inappropriate promotion of foods for infants and young children supported by WHA resolution 69.9.

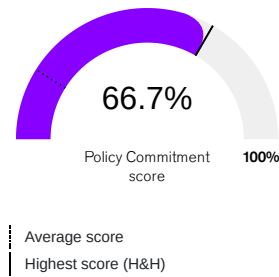


Management System

- H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies).
- The company, however, does not score on management systems as the instructions and procedures did not fully cover the commitments from this topic. Also, the material shared was not found to clearly apply to all employees, nor consistently and comprehensively cover the implementation of the company's commitments on marketing BMS throughout the healthcare system.
- H&H is encouraged to update its management systems, procedures, and other guidance for all its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing in all markets.

4. Donations

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.

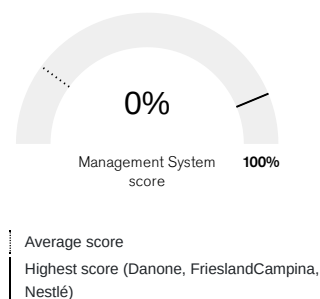


Policy Commitment

- H&H's policy commitments relating to BMS donations were not found to be fully aligned with the Code.

The company shows Code compliant commitments by stating that it would not donate BMS products in humanitarian settings unless officially requested by a competent government authority of the country affected by the emergency or by the designated emergency response coordinating body acting on behalf of the government. The company also has explicit requirements in place in the case of an official authoritative BMS donation request, including ensuring that distribution is targeted and not delivered directly to caregivers, and that supplies are based on identified need and will continue for as long as the infants concerned need them. However, the company policy does not explicitly state that products should not display company brands, and that supplies should have a 6-month shelf life from the moment of delivery.

- The company also commits not to distribute BMS product donations or low-cost supplies for use outside of the social welfare institutions where infants and young children require them and prohibits using such donations as a sales inducement.
- Based on information shared by the company – under NDA -, it was found that the company provides BMS samples to caregivers in health care settings, which the company should not do according to the Code under any circumstances and for any reason, even if the products are not directly provided to consumers or patients.
- H&H did not commit to refrain from donating or distributing any materials or services to any part of the health care system, as per the Code, specifically addressed in recommendation 6 of the guidance supported by WHA resolution 69.9 to avoid potential conflict of interest.
- ATNI acknowledges H&H's commitment to continue working on and updating its donations policy. Also, ATNI encourages the company to strengthen its provisions on BMS donations in line with the Code.

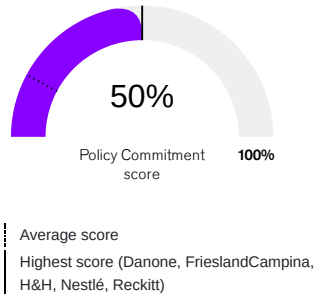


Management System

- H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies).
- The company, however, does not score on management systems as the instructions and procedures did not fully cover the commitments from this topic. Also, the material shared was not found to clearly apply to all employees, nor consistently and comprehensively cover the implementation of the company's commitments on BMS donations.
- H&H is encouraged to update its management systems, procedures, and other guidance for all its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing in all markets.

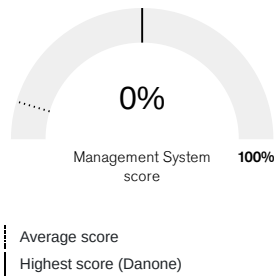
5. Healthcare Workers

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- H&H's policy commitments relating to marketing BMS to healthcare workers were not found to be fully aligned with the Code. Although some commitments were found to be fully addressed, the company did not explicitly show full alignment with the Code and all subsequent WHA resolutions.
- H&H showed explicit commitments to provide strictly scientific and factual information to health workers regarding company products. However, commitments found regarding information provided to health workers on formula use did not explicitly and fully cover the provisions of relevant Code articles and WHA resolutions (article 7.2, WHA 58.32, and WHA 61.20).
- H&H was the only company found to show explicit commitment not to offer any financial or material inducements to health workers or their family members. However, the company was not found to commit to not sponsoring any scientific meetings, fellowships, study tours, and research grants for health professionals, to avoid conflicts of interest in accordance with the Code, specifically recommendation 6 of the guidance supported by WHA resolution 69.9.
- No evidence was found or shared by the company to show instructions provided to healthcare workers on the appropriate preparation of powdered formulas that are based on WHO/FAO guidelines and Codex Standards as referenced by WHA resolutions 58.32 and 61.20.
- H&H is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

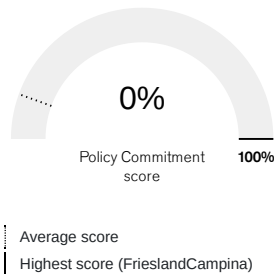


Management System

- H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies).
- The company, however, does not score on management systems as the instructions and procedures did not fully cover the commitments from this topic. Also, the material shared was not found to clearly apply to all employees, nor consistently and comprehensively cover the implementation of the company's commitments on BMS donations.
- ATNI acknowledges H&H's commitment to continue working on and updating its management systems to effectively implement its commitments relating to health workers.
- H&H is encouraged to update its management systems, procedures, and other guidance for all its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing in all markets.

6. Employee Incentives

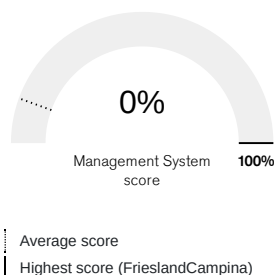
This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- H&H's policy commitments that address the incentives of company employees involved in BMS marketing were not found to be aligned with the Code, specifically Article 8.
- Based on information shared by the company – under NDA - it was found that the company sets targets linked to the sales of its BMS products contrary to the provisions of the Code; therefore, the company did not score on this topic. The company, however, was found to reward compliance with the requirements of the company's BMS marketing policy, which is encouraged.
- H&H is encouraged to consider the gaps identified to revise its policy to better align with the requirements of the Code.

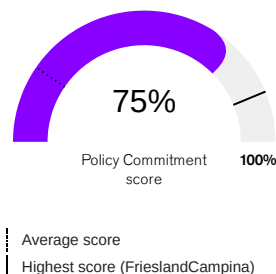
Management System



- H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies). The company, however, does not score on management systems as it does not meet the relevant Code provisions.
- H&H should bolster its management systems to deliver consistent compliance with its stated commitments, once brought into full alignment with the Code.

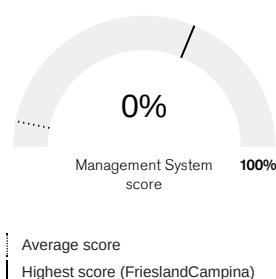
7. Labeling

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- H&H was one of the five companies among the 18 assessed that showed the most policy commitments in line with the Code on the labeling of BMS products.
- H&H was found to explicitly commit to ensuring that its BMS product containers had clear labels in the appropriate local language(s) with the appropriate breastfeeding messages, and warnings against health hazards of improper powdered formula preparation. H&H was also found to commit to not displaying pictures or text which may idealize the use of formula and to only include health or nutrition claims if required by national regulations. In addition, H&H was one of two companies among the 18 assessed to explicitly state that the labels of its powdered formula products will include all the required information in accordance with WHA 58.32 and 61.20.
- Although the company was found to have explicit commitments pertaining to the requirements described in Article 9 of the Code, it did not fully score on some, particularly where no explicit commitments were found on ensuring the appropriate age range is stated on the labels of the different product types. Commitments were also not found for H&H that cover the Code labeling requirements strengthened by the guidance on ending the inappropriate promotion of foods for infants and young children that is supported by WHA resolution 69.9.
- H&H is encouraged to consider the gaps identified to revise its labelling policy to better align with the requirements of the Code.

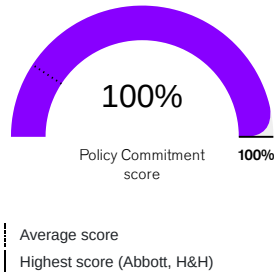


Management System

- H&H shared – under NDA - local staff training materials and procedure manuals developed by the company to guide its employees on the responsible marketing of BMS as outlined in the company's related policy(ies).
- The company, however, does not score on management systems as the instructions and procedures did not fully cover the commitments from this topic. Also, the material shared was not found to clearly apply to all employees, nor consistently and comprehensively cover the implementation of the company's commitments on BMS donations.
- ATNI acknowledges H&H's commitment to continue working on and updating its management systems to effectively implement its commitments relating to responsible BMS labeling.
- H&H is encouraged to update its management systems, procedures, and other guidance for all its employees to implement all commitments set out in its policy(ies) relating to responsible BMS marketing in all markets.

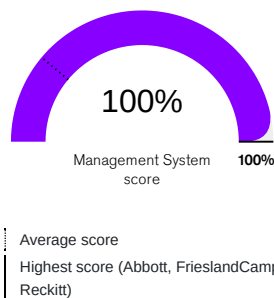
8. Product Quality

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- Based on H&H's BMS marketing policy, the company's product quality commitments were found to fully aligned with the Code, specifically Article 10.
- H&H showed a full score on this topic since the company specified all the Codex standards relating to BMS products that apply at a minimum to ensure quality and hygiene within its products in all markets.
- H&H is encouraged to ensure that the listed standards are regularly revised so that the most updated versions are adhered to.

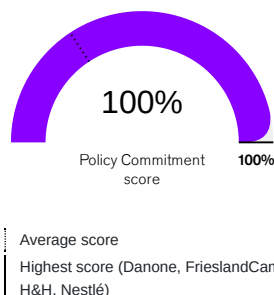


Management System

- H&H shared – under NDA - local procedure manuals developed by the company to implement commitments on product quality as outlined in the company's related policies. The company was one of four companies among the 18 assessed found to have clear procedures for implementing the applicable Codex standards that the company has explicitly listed.

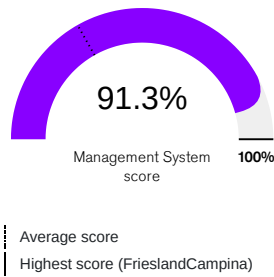
9. Implementation and Monitoring

This topic consists of policy commitment indicators and management system indicators. The policy commitment indicators contribute to 20% of the topic score, while 80% of the weight of the score is attributed to management system indicators.



Policy Commitment

- Based on H&H's BMS marketing policy, the company was found to have commitments in line with Article 11 of the Code and commits to apprising marketing personnel of its BMS marketing policy(ies) and their responsibilities relating to it.

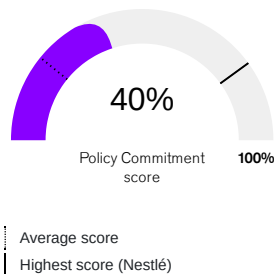


Management System

- H&H shared evidence under NDA showing that the company guides its employees and contractual third parties on the responsible marketing of BMS as outlined in its related policy(ies), as well as effective monitoring and management of incidences of non-compliance with the company policy(ies). However, no clear guidelines were found in the public domain or shared by the company explaining employees' and third parties' responsibilities in taking corrective action in response to incidents of non-compliance.
- The company also clearly assigns executive responsibilities and oversight to ensure the effective implementation of its BMS marketing policy, however, the annual reporting to the Board on the company's compliance and the effectiveness of its management systems was not found to be comprehensive.
- ATNI acknowledges the company's commitment to continue working on and updating its management systems to effectively implement its BMS marketing policy and monitor and manage any incidences of non-compliance.

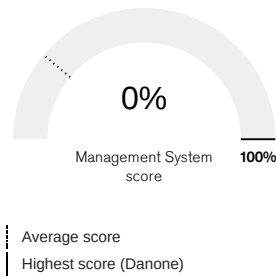
10. Lobbying and Influence

This topic consists of policy commitment indicators and management system indicators. Each set of indicators contributes an equal weight of 50% each to the topic score.



Policy Commitment

- During the time of the assessment and as confirmed by the company, H&H did not have commitments relating to lobbying and policy influence on BMS marketing and the Code. Therefore, the company did not fully score on this topic.
- H&H was the only company found to commit to supporting and not undermining existing public policy frameworks, the work of WHO or similar agencies, and Government efforts to develop regulations to implement the Code in full as it was also the only company to explicitly acknowledge the Code and subsequent WHA resolutions, including 71.9.
- The company was also found to have some broad commitments on prohibiting conflicts of interest and disclosing if any are identified.
- To score in this area, H&H is encouraged to develop a policy setting out under what circumstances and how it will lobby and engage with governments and policymakers on issues relating to the Code and BMS marketing. The company should also review the positions of all trade associations and industry policy groups it belongs to and assess the extent to which they align with the company's own policy positions.

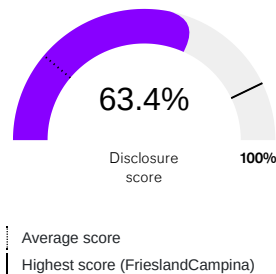


Management System

- H&H does not score on management systems since the company has no commitments in relation to lobbying commitments on BMS marketing and the Code.
- To score in this area, H&H would need to clearly assign executive responsibilities and oversight to ensure the effective implementation of its policy on engaging with stakeholders on BMS marketing and the Code, as well as develop clear systems and control mechanisms such as reporting and internal audits.

11. Disclosure

This topic consists of disclosure indicators only.



Disclosure

- In regard to commitments that were found for H&H that are in line with the Code, the level of disclosure on these commitments is relatively high. H&H showed disclosure commitments by publishing the nature of its support for breastfeeding, acknowledging the importance of the Code, the scope of application of its policies regarding joint ventures and subsidiaries and a statement about the appropriate introduction of complementary foods and beverages for infants being from six months of age. The company also showed commitment by publishing a list of trade associations and industry groups it is a member of, relating to BMS.
- However, H&H can improve on this topic by disclosing information about its internal assessments of compliance with the commitments in its BMS marketing policy, as well as disclosing each complaint or criticism made by stakeholders on the company's BMS marketing.
- Additionally, the company was not found to disclose its lobbying-related activities. Like most companies assessed in this iteration, no information was found either on H&H's website of its interactions, or that of its trade associations, in legislative processes related to the Code and BMS marketing, nor of links to relevant external platforms that may include this information. The company also does not explicitly state which public policy frameworks and relevant laws, standards, and codes are respected when engaging with stakeholders, except for the Code. ATNI advises the company to also follow other key public policy frameworks in private sector engagement and lobbying such as the WHO framework of engagement with non-state actors and OECD principles for transparency and integrity in lobbying, among others.
- H&H is encouraged to consider the gaps identified in its level of disclosure and have this information available and easily accessible in the public domain.

Footnotes

1. BMS stands for breast-milk substitutes which include any milks (or products that could be used to replace milk, such as fortified soya milk alternatives), in either liquid or powdered form, that are specifically marketed for feeding infants and young children up to the age of three years. These include: - Infant formula (IF) - Follow-up formula (FUF) - Growing-up milk (GUM) It is important to note that the Code never made exceptions to formulas for special medical purposes therefore these products are also included within the scope of ATNI's studies. Bottles and teats however are not included in ATNI's assessments as these products generally would not be manufactured by food and beverage companies.
2. All of H&H's global baby food sales are derived from breast-milk substitutes.
3. The Country Study score and Corporate Profile score each contribute to 50% of H&H's BMS Marketing Index score.
4. This represents the score of one country assessment: China.
5. Based on 2021 Euromonitor retail sales estimates.
6. Incidences of non-compliance include non-compliant labels and observations from online and traditional media.
7. Where companies engaged, these numbers should represent the number of products confirmed to be marketed in these countries as communicated by the companies to ATNI. It is possible however that the number of products and brands assessed are not representative of each of the assessed markets, due to limitations in data collection and limited company engagement.
8. - Infant formula is a BMS product intended for infants younger than six months of age. - Follow-up formula is a BMS product intended for older infants between six months up to one year of age. - Growing-up milks or toddler milks are BMS products intended for young children between one to three years of age. - Product brand relates to observations where no age is specified on a product or no specific product is promoted, but the observation is associated with a BMS brand.
9. This is the company's average score on the 11 topics.
10. Euromonitor retail sales estimates (2021 data) were used to calculate the proportion of companies' global product sales covered per product type. It is important to note however that the underlying data used for the calculations may not be fully representative of the company's markets. Euromonitor International intelligence is used under license. Although Euromonitor aims to correct inaccuracies of which it is aware, it does not warrant that the data will be accurate, up-to-date or complete as the accuracy and completeness of the data and other content available in respect of different parts of the content will vary depending on the availability and quality of sources on which each part is based.
11. Product weighting: 45%
12. Product weighting: 35%
13. Product weighting: 20%